

UNCLASSIFIED

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FM: **CNO WASHINGTON DC//N41//**

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INFO ASSTSECNAV FM WASHINGTON DC//FMO//

Subject: **DEFENSE PROPERTY ACCOUNTABILITY SYSTEM (DPAS)//**

UNCLAS //N07000// MSGID/GENADMIN/OPNAV N41//

SUBJ/DEFENSE PROPERTY ACCOUNTABILITY SYSTEM (DPAS)//

REF/A/DOC/USD(C)/22DEC94/-/NOTAL//

REF/B/DOC/ASD(C3I)/3MAY95/-/NOTAL//

REF/C/DOC/SECDEF/15MAY98/-/NOTAL//

REF/D/DOC/DOD/-//

NARR/REF A DESIGNATED DPAS AS THE MIGRATORY SYSTEM FOR ALL DOD PERSONAL PROPERTY. REF B APPROVED DPAS AS THE DOD MIGRATORY SYSTEM. REF C CITES OBTAINING FAVORABLE AUDIT OPINIONS ON DOD FINANCIAL STATEMENTS AS A DOD PRIORITY. REF D, DOD FINANCIAL MANAGEMENT REGULATION (FMR) 7000.14-R, VOL 4 CHAPTER 6, REQUIRES DOD COMPONENTS TO CONDUCT 100 PERCENT PHYSICAL INVENTORIES OF PERSONAL PROPERTY EVERY THREE YEARS.//

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RMKS/1. THIS MSG IS THE FIRST IN A SERIES TO PROVIDE INFORMATION AND STATUS CONCERNING THE IMPLEMENTATION OF DPAS WITHIN THE U.S. NAVY. DPAS IS THE NAVY-WIDE DESIGNATED MIGRATORY SYSTEM TO ACCOUNT FOR AND FINANCIALLY MANAGE PERSONAL PROPERTY ASSETS INCLUDING MINOR PROPERTY.

2. BACKGROUND. DPAS WAS DESIGNATED BY THE USD(C) AND ENDORSED BY THE USD(C3I) AS THE DOD MIGRATORY SYSTEM FOR ALL PERSONAL PROPERTY. DOD ANNUAL FINANCIAL STATEMENT IDENTIFIED PROPERTY ACCOUNTABILITY AS A HIGH RISK AREA. THE ASN (FM&C) AND THIS OFFICE (N41) ENDORSED DPAS

IN A MOU AS THE DON STANDARD PERSONAL PROPERTY SYSTEM THAT WILL EVENTUALLY REPLACE ALL SYSTEMS CURRENTLY USED TO ACCOUNT FOR PERSONAL PROPERTY, INCLUDING MINOR PROPERTY THROUGHOUT THE DEPARTMENT. DPAS SATISFIES BOTH THE FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT OF 1996 TO INCREASE ACCOUNTABILITY OF PERSONAL PROPERTY, AND THE CFO ACT OF 1990 TO IMPROVE THE ACCURACY AND RELIABILITY OF FINANCIAL

REPORTING. ALL DOD AGENCIES AND SERVICES HAVE BEEN TASKED BY CONGRESS AND COMMITTED TO BY THE PRESIDENT TO ACHIEVE CLEAN AUDIT OPINIONS ON FINANCIAL STATEMENTS. THE USD(C) HAS DIRECTED A MONTHLY REVIEW OF PROGRESS TOWARD ACHIEVING THIS TASK.

3. DPAS OVERVIEW: DPAS IS A MID-TIER UNIX BASED SYSTEM THAT HAS THE CAPABILITY TO COMPUTE DEPRECIATION, ACCEPT BAR CODE DATA, TRACK LOANED OR LEASED EQUIPMENT, AND MAINTAIN EQUIPMENT UTILIZATION RECORDS, SUCH AS TRIP TICKETS, WORK ORDERS AND MANAGEMENT REPORTS. THE FINANCIAL MODULE PROVIDES THE CAPABILITY TO DEPRECIATE CAPITAL ASSETS. DPAS HAS FINANCIAL REPORTING CAPABILITY THAT COMPLIES WITH

DOD FINANCIAL MANAGEMENT REGULATIONS FOR ASSET ACCOUNTABILITY AND GENERAL LEDGER ACCOUNTING AND REPORTING. IN ADDITION, THE SYSTEM CAN PERFORM REQUISITIONING FUNCTIONS, SCHEDULE MAINTENANCE/REPAIRS, TRACK MAINTENANCE COSTS, AND PROVIDE MAINTENANCE HISTORY. SEVERAL OF THESE MODULES ARE NOT CURRENTLY SCHEDULED TO BE UTILIZED WITHIN THE NAVY. ACTIVITIES CAN, HOWEVER, REQUEST AN EVALUATION BY OPNAV/ASN(FMO) FOR THEIR USE.

4. THE OBJECTIVE IS TO DEPLOY DPAS AS FAST AS THE DFAS IMPLEMENTATION TEAM CAN ORDERLY ACCOMMODATE. TO DATE, THE BUMED CLAIMANCY AND A NUMBER OF NAVY ACTIVITIES AT NAVSUP, CNMOC, NAVRES, CNET AND SSP HAVE OR ARE IN THE PROCESS OF IMPLEMENTING DPAS. THE USMC IS SCHEDULED TO COMPLETE DPAS IMPLEMENTATION BY THE END OF JULY 1999. DPAS MUST BE IMPLEMENTED AS SOON AS POSSIBLE IF WE ARE TO COMPLY WITH THE CONGRESSIONAL DIRECTION. WE HAVE ENGAGED KPMG LLP TO

ASSIST WITH THE DEVELOPMENT OF DON POLICY, PROCEDURES, AND IMPLEMENTATION SUPPORT FOR DPAS. KPMG AND THE DPAS FIELDING TEAMS WILL NEED THE COOPERATION AND SUPPORT OF ALCON IN THIS REGARD. OPNAV N41, ASN FM&C (FMO), DFAS, AND THE DPAS PMO ARE DEVELOPING AND WILL PROMULGATE IN THE COMING WEEKS AN AGGRESSIVE IMPLEMENTATION SCHEDULE

WHICH BEGINS IN OCTOBER 1999. IT IS IMPERATIVE THAT WE FIELD DPAS FIRST AT GENERAL FUND COMMANDS THAT HAVE THE LARGEST DOLLAR VALUE OF CAPITAL ASSETS. WE ARE FORMULATING A DETAILED PLAN TO IMPLEMENT DPAS AT SEVERAL CNET, NAVSEASYSKOM, CNAVRES, NAVEUR, CINCLANTFLT AND CINCPACFLT SUBORDINATE COMMANDS. THIS IS BEING WORKED AND STAFFED IN

COORDINATION WITH APPROPRIATE PERSONNEL AT THE MAJOR CLAIMANTS. REGIONALIZATION IS BEING FACTORED INTO THE PLAN.

5. THE FIELDING OF DPAS THROUGHOUT APPROXIMATELY 900 NAVY ACTIVITIES IS A VERY LARGE AND COMPLEX UNDERTAKING. DPAS IMPLEMENTATION AT A FIELD ACTIVITY IS A MAJOR PARADIGM SHIFT IN THAT IT SHIFTS THE FOCUS FROM PROPERTY ACCOUNTABILITY ONLY TO PERSONAL PROPERTY ACCOUNTABILITY, FINANCIAL CONTROL (ACCOUNTING AND REPORTING). ACCORDINGLY, EACH CLAIMANT WILL REQUIRE A HEADQUARTERS DPAS IMPLEMENTATION TEAM THAT WILL COORDINATE AND ASSIST WITH THE DEPLOYMENT THROUGHOUT EACH CLAIMANCY. AT A MINIMUM, THIS TEAM MUST HAVE DESIGNATED REPRESENTATIVES AS FOLLOWS:

- A. OVERALL CLAIMANT HQ COMPTROLLER COORDINATOR,
- B. LOGISTICS/FUNCTIONAL POC,
- C. INFORMATION TECHNOLOGY POC

EACH FIELD COMMAND WILL REQUIRE A TEAM WITH SIMILAR REPRESENTATION. ALTHOUGH A RELATIVELY SMALL NUMBER OF NAVY DPAS IMPLEMENTATIONS HAVE BEEN ENACTED, THEY HAVE IDENTIFIED ISSUES DUE TO THE NUMEROUS SYSTEMS AND VAST RANGE OF MISSIONS/OPERATIONS OF THE APPROXIMATELY 900 ACTIVITIES THAT MUST IMPLEMENT DPAS. EXAMPLES OF SOME FIELDING ISSUES/CHALLENGES HAVE BEEN THE DEVELOPMENT OF THE STANDARD NAVY PP&E CATALOG, TECHNICAL MATTERS WITH DATA FIELDS, AND DPAS MODULES THAT ARE NOT APPLICABLE TO NAVY. THESE ISSUES HAVE FOR THE MOST PART BEEN RESOLVED OR ARE CURRENTLY BEING WORKED. AS WE PROCEED FURTHER, WE CAN FORESEE THAT OTHER ISSUES MAY ARISE WHICH WILL BE ADDRESSED AS THEY OCCUR. FURTHERMORE, THE NAVY WILL BE ABLE TO REQUEST MODIFICATIONS TO THE EXISTING DPAS SYSTEM THROUGH AN ESTABLISHED SYSTEMS CHANGE REQUEST (SCR) PROCESS.

6. ONCE A SITE IS SCHEDULED TO IMPLEMENT DPAS, REPRESENTATIVES FROM THE DPAS PROGRAM MANAGEMENT OFFICE WILL CONDUCT A PRELIMINARY SITE VISIT WHICH INCLUDES DPAS TRAINING, DATA ANALYSIS AND INVENTORY REVIEW. FOR THIS VISIT TO BE SUCCESSFUL, IT IS ESSENTIAL THAT THE PERSONAL PROPERTY INVENTORY AND ITS RECONCILIATION WITH THE RESPECTIVE DFAS OPLOC BE COMPLETE AND ACCURATE. ACCORDINGLY, IT IS IMPERATIVE THAT PRIOR TO THE PRELIMINARY DPAS IMPLEMENTATION SITE VISIT, EACH ACTIVITY MUST:

A. ENSURE THAT ALL PERSONAL PROPERTY HAS BEEN INVENTORIED (WALL TO WALL) AND PROPERTY RECORDED.

B. ENSURE THAT ALL PERSONAL PROPERTY RECORDS AND SYSTEMS ARE COMPLETE AND ACCURATE.

C. ENSURE THAT ASSET VALUES ARE SUPPORTED BY APPROPRIATE DOCUMENTATION SUCH AS ONE OF THE FOLLOWING:

(1) MATERIAL INSPECTION AND RECEIVING REPORT (DD 250);
(2) ORDER FOR SUPPLIES OR SERVICES (DD 1155); PURCHASE ORDER-INVOICE VOUCHER (SF 44); GOVERNMENT CREDIT CARD PURCHASE RECEIPT.

D. VERIFY THAT ALL PERSONAL PROPERTY PHYSICAL INVENTORIES COMPLY WITH REF D.

E. PERFORM A COMPLETE RECONCILIATION BETWEEN THE INSTALLATION AND THE CENTRAL PERSONAL PROPERTY FOR CAPITAL ASSETS MAINTAINED BY DFAS OPLOCS SYSTEM.

F. ENSURE THAT ALL PERSONAL PROPERTY NOT OTHERWISE INVENTORIED IN ACCORDANCE WITH FMR IS INVENTORIED.

G. ENSURE THAT PERSONAL PROPERTY ACCOUNTABILITY RECORDS REFLECT THE INVENTORY RESULTS. AS DISCUSSED PREVIOUSLY, A REVISED SITE VISIT AND IMPLEMENTATION SCHEDULE BEGINNING IN

OCTOBER 1999 TIMEFRAME WILL BE PROVIDED BY SEPARATE CORRESPONDENCE IN THE VERY NEAR FUTURE.

7. WE MUST CONTINUE TO MOVE FORWARD WITH THE IMPLEMENTATION THROUGHOUT THE NAVY. YOUR COOPERATION AND ASSISTANCE WITH SCHEDULING IS IMPERATIVE FOR SUCCESS. OPNAV DPAS POC IS CAPT KEN WENZEL, (703-604-9923 OR CDR TRISH VAN BELLE, (703) 604-9944. ASN (FMO) DPAS POC IS MR. MIKE MORTHAND, (202) 685-6725.//

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